

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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In re:	:	
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THE FINANCIAL OVERSIGHT AND	:	PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,	:	Title III
	:	
as representative of	:	Case No. 17-BK-3283 (LTS)
	:	
THE COMMONWEALTH OF PUERTO RICO <i>et al.</i> ,	:	(Jointly Administered)
	:	
Debtors. ¹	:	

	X	
	:	
In re:	:	
	:	
THE FINANCIAL OVERSIGHT AND	:	PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,	:	Title III
	:	
as representative of	:	Case No. 17-BK-4780 (LTS)
	:	
PUERTO RICO ELECTRIC POWER AUTHORITY	:	
	:	
Debtor.	:	

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS' RESPONSE TO
STATUS REPORT OF GOVERNMENT PARTIES REGARDING
COVID-19 PANDEMIC AND 9019 MOTION**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Judge Laura Taylor Swain:

The Official Committee of Unsecured Creditors (the “Committee”)² respectfully submits its response to the *Status Report of the Government Parties Regarding the COVID-19 Pandemic and the 9019 Motion*, dated January 19, 2022 [Docket No. 2691 in Case No. 17-4780] (the “Status Report”) concerning the motion pursuant to Federal Rule of Bankruptcy Procedure 9019 [Docket No. 2144 in Case No. 17-4780] (the “Rule 9019 Motion”) that the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) filed on May 10, 2019. In support of this Response, the Committee respectfully states as follows:

RESPONSE TO PREPA STATUS REPORT

1. The Committee reiterates its opposition to the continued stay of the Rule 9019 Motion for all of the reasons stated in the Committee’s responses to the Oversight Board’s previous status reports,³ which are incorporated herein by reference. The Rule 9019 Motion has now been pending for approximately 32 months, and nothing in the Oversight Board’s most recent Status Report justifies its ongoing deprivation of the Committee’s statutory right to prosecute its objection to the PREPA Bondholders’ claims.

2. At first glance, the Status Report implies that the Oversight Board has made progress in finally determining to “move forward” with the RSA. However, the Oversight Board also states—in the very same sentence—that it is continuing to evaluate the “feasibility and advisability of [the RSA’s] implementation,” Status Report ¶ 7, and later that one of the Oversight Board’s “next steps” will be to continue “assessing the RSA,” *id.* ¶ 10. Thus, it is

² The Committee is the official committee of unsecured creditors for all Title III Debtors, other than PBA and COFINA.

³ See, e.g., Docket Nos. 2230, 2477, 2545, and 2628 in Case No. 17-4780.

clear that nothing has in fact changed: after all this time, the Oversight Board has still not decided whether it wants to seek approval of the RSA in its current form.

3. Indeed, the Oversight Board does not mention setting a timeline for resolution of the Rule 9019 Motion—rather, it simply asks to submit another status report in March 2022, with no commitment to do anything between now and then. Just as before, the Oversight Board wants more time to figure out its path forward while it uses the stay of the Rule 9019 Motion to preclude the Committee from exercising its statutory rights. Moreover, based on the Status Report, it is not even clear whether the Oversight Board intends to prosecute the Rule 9019 Motion at all, and, instead, intends to simply file a proposed plan of adjustment for PREPA at some point during the first half of 2022. Finally, the Committee submits that the Oversight Board’s filing of a status report is not the proper procedural vehicle to, in effect, request the continuation of the stay of the Rule 9019 Motion.

4. For these reasons, the Committee asks that the Oversight Board’s request to further stay the Rule 9019 Motion pending the submission of a further status report on March 31, 2022 be denied.

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WHEREFORE, the Committee respectfully requests that the relief the Oversight Board requests in the Status Report be denied.

Dated: January 20, 2022

By: /s/ Luc A. Despins

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